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GOVERNANCE FOR INCLUSIVE GROWTH PROGRAM (GIG)

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Hanoi, Vietnam

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CONTENTS

EXECUTIVE SUMMARY	iv
ABBREVIATIONS AND ACRONYMS	vi
INTRODUCTION	1
SECTION 1: PROGRAM IMPLEMENTATION.....	2
COMPONENT 1: IMPROVING LEGAL AND REGULATORY FRAMEWORKS THROUGH DYNAMIC, INCLUSIVE POLICY-MAKING PROCESS.....	2
COMPONENT 1: SIGNIFICANT IMPACTS IN Q1	2
COMPONENT 1: KEY EVENTS IN Q1	2
COMPONENT 1: CHALLENGES AND OPPORTUNITIES IN Q1	3
COMPONENT 1: UPCOMING ACTIVITIES	4
COMPONENT 2: IMPROVING ACCOUNTABILITY OF PUBLIC INSTITUTIONS.....	5
COMPONENT 2: SIGNIFICANT IMPACTS IN Q1	5
COMPONENT 2: KEY EVENTS IN Q1	5
COMPONENT 2: CHALLENGES AND OPPORTUNITIES	6
COMPONENT 2: UPCOMING ACTIVITIES	6
COMPONENT 3: IMPROVING INCLUSION AND EQUALITY FOR MARGINALIZED GROUPS	7
COMPONENT 3: SIGNIFICANT IMPACTS IN Q1	7
COMPONENT 3: KEY EVENTS IN Q1	7
COMPONENT 3: CHALLENGES AND OPPORTUNITIES	8
COMPONENT 3: UPCOMING ACTIVITIES	8
SECTION II: PROGRAM MANAGEMENT	9
START-UP ACTIVITIES.....	9
COORDINATION WITH GVN COUNTERPARTS AND THE PMU	10
ANNEX A: CONTRACT DELIVERABLES.....	15
ANNEX B: KEY MEETINGS.....	15

EXECUTIVE SUMMARY

This first Quarterly Performance Report (QPR) covers the period from contract award on December 12, 2013 through March 31, 2014.

Driven by USAID's Country Development Cooperation Strategy for Vietnam 2014-2018, the USAID Governance for Inclusive Growth (GIG) program is building alliances with reform-oriented leaders in the Government of Vietnam (GVN), dynamic civil society organizations, and Vietnam's private entrepreneurs to help make Vietnam's growth more inclusive and governance more accountable to the people. The GIG program provides technical assistance, training, and other direct support to GVN counterparts, led by the prime counterpart, the Ministry of Justice (MOJ), to strengthen policy making, implementation, oversight, performance management, and other accountability mechanisms.

Working at the intersection of economic growth, governance, and civil society, GIG works in three distinct but integrated Components. These are:

- Component 1. Improving legal and regulatory frameworks through a dynamic, inclusive policy-making process.
- Component 2. Improving accountability of public institutions.
- Component 3. Improving inclusion and equality for marginalized groups.

The official launch of the GIG program took place on January 14, 2014, with the signing of an MOU between the MOJ Department of International Cooperation, in representation of our six GVN counterparts and USAID. Since that time, ramp up activities have been swift, with permanent offices identified, and 17 employees engaged on the program under Chemonics by March 31, 2014.

Immediately following the contract award on December 12, 2013, Chemonics mobilized existing in-country staff to acquire temporary office space and address immediate start-up needs. Two Chemonics mobilization short-term consultants assisted with legal registration issues, staff recruitment, and logistics administration. On December 13, 2013, GIG's Deputy Program Director and Finance Manager began work with the program, with the Program Director and Operations and Grants Director arriving in early January.

As part of the planning process, extensive consultations with key stakeholders covering the full spectrum of the program have been held, including USAID and leadership of GIG's GVN counterparts—MOJ, Ministry of Finance (MOF), Ministry of Planning and Investment (MPI), State Audit Office of Vietnam (SAV), National Assembly (NA), and Ministry of Industry and Trade (MOIT). Wider consultation with private sector

representatives, social organizations, education institutions, donors, and donor-funded projects has allowed GIG to identify important windows of opportunity and avoid duplication. These discussions have led the program to revise some activities in order to remain responsive to the priorities of our counterparts, which is reflected in revisions to the Year One Work Plan.

ABBREVIATIONS AND ACRONYMS

APD	ACADEMY FOR POLICY AND DEVELOPMENT
CEMA	COMMITTEE FOR ETHNIC MINORITY AFFAIRS
CEPEW	CENTER FOR EDUCATION PROMOTION AND EMPOWERMENT FOR WOMEN
CFAW	COMMITTEE FOR THE ADVANCEMENT OF WOMEN
CGFED	CENTER FOR GENDER, FAMILY AND ENVIRONMENT IN DEVELOPMENT
CIEM	CENTRAL INSTITUTE FOR ECONOMIC MANAGEMENT
CPP	CONTRACT PERFORMANCE PLAN
CSIP	CENTER FOR SOCIAL INITIATIVE PROMOTION
DEPOCEN	DEVELOPMENT AND POLICIES RESEARCH CENTER
DTA	DIRECT TECHNICAL ASSISTANCE
EM	ETHNIC MINORITY
FTA	FREE TRADE AGREEMENT
FPT	PRIVATE SECTOR ICT COMPANY
FU	FARMER’S UNION
GAO	GOVERNMENT ACCOUNTABILITY OFFICE (US)
GVN	GOVERNMENT OF VIETNAM
GIG	GOVERNANCE FOR INCLUSIVE GROWTH
GPAR	GOVERNANCE AND PUBLIC ADMINISTRATION REFORM COOPERATION
GUC	GRANTS UNDER CONTRACT
IPSARD	INSTITUTE OF POLICY AND STRATEGY ON AGRICULTURAL RESEARCH AND DEVELOPMENT
iSee	INSTITUTE FOR STUDIES OF SOCIETY, ECONOMICS, AND ENVIRONMENT
KRA	KEY RESULT AREAS
LANDA	LAND ALLIANCE
LGBT	LESBIAN, GAY, BISEXUAL AND TRANSGENDER

LND	LEGAL NORMATIVE DOCUMENT
LURC	LAND USE RIGHTS CERTIFICATE
M&E	MONITORING AND EVALUATION
MOF	MINISTRY OF FINANCE
MOIT	MINISTRY OF INDUSTRY AND TRADE
MOJ	MINISTRY OF JUSTICE
MOLISA	MINISTRY OF LABOR, INVALIDS, AND SOCIAL AFFAIRS
MPI	MINISTRY OF PLANNING AND INVESTMENT
MP	MEMBER OF PARLIAMENT
NA	NATIONAL ASSEMBLY
NASC	NATIONAL ASSEMBLY STANDING COMMITTEE
PMU	PROGRAM MANAGEMENT UNIT
PPP	PUBLIC-PRIVATE PARTNERSHIP
Q	QUARTER
QPR	QUARTERLY PERFORMANCE REPORT
RIA	REGULATORY IMPACT ASSESSMENT
SAV	STATE AUDIT OFFICE OF VIETNAM
SO	SOCIAL ORGANIZATION
TPP	TRANS-PACIFIC PARTNERSHIP
USAID	UNITED STATE AGENCY FOR INTERNATIONAL DEVELOPMENT
VCCI	VIETNAM CHAMBER OF COMMERCE AND INDUSTRY
VUSTA	VIETNAM UNION OF SCIENCE AND TECHNOLOGY ASSOCIATIONS
VWU	VIETNAM WOMEN’S UNION
VWEC	VIETNAM WOMEN ENTREPRENEURS COUNCIL
WiPPA	CENTER FOR WOMEN IN POLITICS AND PUBLIC ADMINISTRATION
WTO	WORLD TRADE ORGANIZATION

INTRODUCTION

The GIG QPR consists of an introductory section explaining the purpose and context of the GIG program. Section I provides details about program implementation during the reporting period and forthcoming activities in the months ahead. Section II outlines GIG's program management focus for the period, and Section III contains the quarterly financial report. Annex A provides a list of deliverables submitted during the quarter, and Annex B contains details of meetings undertaken during the quarter.

In the first quarter, GIG has worked to build a strong foundation with our GVN counterparts and non-government partners, engaging stakeholders traditionally excluded from the policy-making process to participate in a meaningful way. Consensus and buy-in lie at the core of GIG's vision, and our implementation strategy balances the dual roles of technical leadership and partnership brokering. In this first quarter, emphasis was placed on building these sustainable and inclusive partnerships between policy-making agencies and non-government stakeholders, including vulnerable groups.

These initial consultations will serve to continually improve, refine, and target subsequent activities. Over time, GIG will leverage programmatic successes to cement trust among our partners, deepening confidence and resulting in further programmatic targeting and activity refinement. Section I of this QPR details the impacts of these consultations and forthcoming activities across GIG's three distinct components.

As outlined in Section II Performance Management, a critical amount of activity was centered on start-up activities during this first quarter – recruitment, planning, and community and stakeholder consultations – which positioned the GIG program to finalize the Year One Work Plan, having gained input and buy-in from GVN counterparts and stakeholders.

SECTION 1: PROGRAM IMPLEMENTATION

COMPONENT 1: IMPROVING LEGAL AND REGULATORY FRAMEWORKS THROUGH DYNAMIC, INCLUSIVE POLICY-MAKING PROCESS

Component 1 works in close coordination with Components 2 and 3 to support our GVN counterparts to improve legal and regulatory frameworks by identifying challenges, strengthening public consultation and engagement, and improving capacity for drafting, debating, and enactment.

COMPONENT 1: SIGNIFICANT IMPACTS IN Q1

In Q1, Component 1 activities focused on developing relationships and designing activities with our GVN counterparts and representatives of the business community. These activities are designed to support the implementation of the new Constitution, thereby creating the legal and institutional foundation for legal and regulatory transparency, accountability, and functionality of an inclusive market economy.

During the quarter, Component 1 consulted extensively with our GVN counterparts to assess requests for technical assistance for reforms that will strengthen policy-making and improve business and competitiveness. GIG worked with our counterparts on designing targeted interventions that will enable GVN agencies to implement trade agreements such as the trade facilitation agreement of the WTO, and the new generation of free trade agreements (FTAs).

These assessments have enabled GIG and our counterparts to plan for the life of the project, and importantly, have contributed to a shared vision of reform priorities. Based on these consultations, GIG has integrated appropriate requests for technical assistance from GVN counterparts into the program's Year One Work Plan for approval from the MOJ's project management unit (PMU) as well as USAID.

COMPONENT 1: KEY EVENTS IN Q1

Below are the key consultations that the GIG Component 1 team conducted during the reporting period with GVN counterparts and non-government partners, and their impact upon future programming (for a more comprehensive list of all meetings please refer to Annex B):

- Customs: potential cooperation in customs reform programs, including assistance to implementation of trade agreements.
- NA: potential technical assistance for legal and institutional reforms to implement the new Constitution, as well as capacity building to strengthen legislative and oversight capacity.

- MOJ: priorities in legal and regulatory reforms to enhance legal and regulatory transparency and clarity.
- MPI's Central Institute for Economic Management (CIEM): implementation of Resolution 19, a package of regulatory and institutional reforms to enhance the business environment and competitiveness ranking.
- Donors including UNDP and JIFF: coordinate on relevant activities.
- American Chamber of Commerce (AmCham), Vietnam Chamber of Commerce and Industries (VCCI), businesses, and social organizations (SOs): forge relationships and better understand their views on reforms and challenges.

Component 1 will assess and integrate appropriate requests from GVN counterparts and partners into the Year One Work Plan for submission to USAID and the MOJ for approval. These consultations have assisted GIG in fine-tuning key result areas (KRAs) to ensure they are relevant, compatible with demand from our counterparts, and driven by USAID's Country Development Cooperation Strategy for Vietnam 2014-2018. Based on these initial discussions, GIG has identified the following priorities for Year One activity:

- Offer guidance and best practices for the development of laws and regulations that will build the foundation for legal and regulatory transparency and security, including the Law on Laws, and Law on Administrative Decisions.
- Support the implementation of Resolution 19 on comprehensive reforms to improve Vietnam's competitiveness and business environment.
- Deliver training and capacity building on the policy development process to strengthen policy development prior to drafting of regulations, delineating policy development as a distinct process to formulate policy and drafting as a subsequent translation of policy into legal terms.
- Strengthen GVN counterparts and non-government partners to bridge the information gap in evidence-based policy-making.
- Provide training and capacity on policy advocacy for press and SOs to enable them to participate better in policy formulation.
- Facilitate inclusive partnerships between GVN and non-government stakeholders to advance regulatory and legal reforms.

COMPONENT 1: CHALLENGES AND OPPORTUNITIES IN Q1

A key challenge faced during the quarter was striking a balance between demand-driven, one-off requests from our GVN counterparts, and achieving a holistic approach in designing GIG's long-term vision in collaboration with USAID.

Addressing this challenge, first, GIG worked with GVN counterparts and the PMU to develop programming and operational mechanisms to facilitate joint action between GVN counterparts and business, professional associations, think tanks, and SOs. Developing these procedures, which include agreed practices for clearance forms, procurement and approvals processes, was a priority in order to establish a standardized set of procedures early in the program. It is a

priority in the next quarter that GIG supports counterparts and partners to adopt these procedures.

Second, GIG supported our GVN counterparts to work within our planning framework and better understand GIG's long-term objectives. As such, it is anticipated that planning for the GIG Year Two Work Plan (October 1, 2014 to September 30, 2015) will be a more efficient and consultative process.

In late 2013, Vietnam adopted a new Constitution, necessitating a new wave of reform often referred to as Reform 2.0. The GIG program launched at a critical time to support this new wave of reform, well placed to support these legal foundations and institutions for a more open and inclusive Vietnam. This changing environment is conducive to meaningful collaboration with GVN counterparts.

COMPONENT 1: UPCOMING ACTIVITIES

In coordination with MOJ, GIG is preparing to deliver a technical workshop on April 8, 2014 in Hanoi. The workshop will allow USAID, GIG, GVN counterparts and stakeholders to communicate their priorities and expectations for technical assistance going forward.

GIG is supporting the NA Committee for Foreign Affairs to conduct the NA "Seminar on the Role of Legislatures in the Ratification and Implementation of FTAs", on April 15 and 17 in Hanoi and Ho Chi Minh City (HCMC). These seminars will facilitate discussion between FTA negotiators and international and local advisors on key issues on the new FTAs that Vietnam is negotiating. The workshops will prepare members of parliament to review the Trans-Pacific Partnership (TPP) and other FTAs in the future and act on laws required to implement these new FTAs. Participants will include Her Excellency Silvia Hernández, former Senator and Secretary of Tourism of Mexico to share Mexico's lessons learned in approving and implementing NAFTA, a similar FTA to the TPP.

GIG will support VCCI and NA to conduct the "Business Competitiveness and Free Trade Agreements: Expectations and Lessons Learned" workshop on April 18 in HCMC. This half-day event is focused on the new generation of FTAs and the need to enhance Vietnam's competitiveness. GIG will seek to involve the U.S. Consulate in HCMC and AmCham-HCMC as partners.

Component 1 will finalize the GIG Technical Assistance Operating Guidelines to assist the implementation of collaborative models of technical assistance with GVN counterparts. The guidelines outline key working procedures between GVN counterparts and GIG to clarify rules by which resources will be mobilized. The guidelines will assist in delivering short-term technical assistance, technical workshops, and seminars for capacity building and skills development.

COMPONENT 2: IMPROVING ACCOUNTABILITY OF PUBLIC INSTITUTIONS

Component 2 is working in close coordination with Components 1 and 3 to support GIG's GVN counterparts to improve accountability of public institutions with a focus on improving communications and implementation, as well as oversight and evaluation.

COMPONENT 2: SIGNIFICANT IMPACTS IN Q1

In Q1, Component 2 established linkages with the NA and SAV to design activities that will improve oversight processes and strengthen audit roles. Component 2 began to develop partnerships with SOs that will serve to increase transparency of policy implementation and improve citizen participation in monitoring and evaluating policy implementation.

In the quarter, Component 2 undertook initial consultations to develop programming that will improve public access to the processes of policy development and implementation through training with partner ministries and the NA. Component 2 also initiated discussions with government, businesses, and SOs on the design of potential public-private partnerships (PPP) or collaborative agreements, to improve accountability of public institutions in Vietnam.

In anticipation of revisions and amendments to Vietnam's Budget Law in 2014, Component 2 coordinated with the NA's Finance and Budget Committee/Department and MPI's Finance and Monetary Department to assess the ways GIG can provide support in Year One to improve their capacity, promoting enhanced budget transparency and accountability.

COMPONENT 2: KEY EVENTS IN Q1

Below are the key consultations GIG Component 2 conducted with GVN counterparts and non-government partners and their implication for future programming (for a more comprehensive list of all the meetings please refer to Annex B):

- SAV International Cooperation Department: established GIG's long-term coordination with the SAV. The meeting identified SAV's institutional development priorities for GIG support, including the development of a partnership with the US Governmental Accountability Office (GAO), and support to improve SAV public audit performance, database security and information disclosure.
- UNDP Governance Team: explored governance work underway in Vietnam, including SO mapping of laws and legal documents enabling citizen participation.
- NA Oversight Support Department and the Office of the National Assembly (ONA) Public Information Department: identified priority areas for GIG support, including oversight and public information.
- NA Judicial Committee and Anti-Corruption Bureau under the Inspectorate of the Government: discussed current anti-corruption, identifying potential areas of cooperation between GIG and these institutions.

COMPONENT 2: CHALLENGES AND OPPORTUNITIES

Although the NA's oversight function has improved in recent years, its quality and effectiveness have not met the levels expected by voters. During consultations with the NA, GIG identified areas for potential support that would improve the NA's oversight tools including rules, regulations, database, coordination mechanism, reliable information and resources.

Currently, the public has limited direct access to Vietnam's audit results and relies primarily on news coverage that is not comprehensive. GIG has identified a window of opportunity to improve public outreach and information dissemination in order to support the SAV to fulfill a requirement of the State Audit Law to make audit reports public.

The State Budget Law and State Audit Law are under revision in 2014, providing a timely opportunity for GIG to provide technical assistance focusing on these key sectors in Year One.

Through consultations with the NA, GIG has identified the commitment of NA representatives to improve the quality and effectiveness of its oversight function through the newly created Oversight Support Department under the ONA. This department will coordinate oversight activities of the NA, supporting the Standing Committee of the NA in particular. The Standing Committee would serve as the focal point of information for oversight activities and results of the NA, and GIG is designing activities to work closely with this new department.

Article 28 of the new Constitution formally recognizes the rights of citizens in governance, and mandates that the State will support meaningful citizen participation. GIG has identified Article 28 as a timely opportunity for the program to work with partners to realize this vision.

Media reporting on public policy implementation could be significantly improved in Vietnam to contribute in a meaningful way to public dialogue on policy and the accountability of public institutions. GIG has identified opportunities to work with Vietnam's journalistic associations to strengthen reporting of complex governance issues.

COMPONENT 2: UPCOMING ACTIVITIES

Component 2 will facilitate in-depth technical meetings with the NA and SAV to develop a strategic work plan between GIG and our GVN counterparts. GIG will also meet with international donors to coordinate on existing and planned initiatives with the NA and SAV to both leverage available resources and avoid duplication.

In Q2, Component 2 will continue to work with stakeholders in the private sector, think tanks, and SOs to improve access to information, the quality of monitoring and evaluation of policy implementation, and the media relations of GVN counterparts.. GIG will engage SOs, research institutions, and universities to ensure strong collaboration in future Component 2 activities, including promoting public participation, increasing access to information, and strengthening policy effectiveness assessment and policy advocacy.

COMPONENT 3: IMPROVING INCLUSION AND EQUALITY FOR MARGINALIZED GROUPS

Component 3 works in close coordination with Components 1 and 2 to ensure GIG builds inclusive and sustainable partnerships throughout this process. Component 3 also draws on Component 1 and 2 results to integrate the issues facing women, ethnic minorities, and other traditionally disadvantaged groups, from analyzing policy impact on women to tailoring communications to consider the needs of minorities in rural areas.

COMPONENT 3: SIGNIFICANT IMPACTS IN Q1

In Q1, Component 3 worked to build mainstreaming of gender equality, diversity, civil rights, legal access, and women's empowerment into GIG's program planning. Consulting with GVN counterparts throughout the quarter, Component 3 met with MOJ and the NA to identify potential areas of collaboration to further women's empowerment, improve legal access for citizens, mainstream gender equality, and harness SOs to increase citizen participation in policy making.

Working with SOs, Component 3 explored a collaboration with the leadership of the Vietnam Women Entrepreneurs Councils (VWEC), building knowledge and information on leadership, management, economic and business integration, creating a database on women entrepreneurs, and supporting business and trade promotion for women-led enterprises.

Component 3 held initial discussions with community groups, exploring partnerships to support the development of community-based business models for Ethnic Minority (EM) groups, organize issue forums and campaigns on citizen participation in local governance, increase women's access to ownership of Land Use Rights Certificates (LURC), and empower SOs through direct, non-competed grants.

COMPONENT 3: KEY EVENTS IN Q1

Below are the key consultations that GIG Component 3 conducted with GVN counterparts and non-government partners, and their impact upon programing (for a more comprehensive list of all the meetings please refer to Annex B):

- International Women's Day event, "Celebrating Women's Entrepreneurship," March 2, 2014: GIG facilitated this one-day networking and knowledge-sharing event in collaboration with a coalition of Vietnamese women entrepreneur networks, including the Vietnam Women's Union (VWU), The Hanoi Association for Women's Small and Medium Enterprises, in Phu Tho province to celebrate women as entrepreneurs. The event brought together some 130 women from eight different provinces.
- MOJ, NA, Ministry of Labor, Invalids and Social Affairs (MOLISA), and the Committee for Ethnic Minority Affairs (CEMA): GIG sought input for program planning and to identify potential areas of collaboration to support activities leading to the empowerment of women, improvement of legal access for citizens, and mainstreaming of gender equality.

- Farmer's Union (FU) and Vietnam Women's Union (VWU): Explored potential partnerships for Year One activities. These organizations have extensive networks of millions of farmers and women countrywide, and will serve as valuable partners for GVN agencies or SOs for future GIG outreach activities.
- Research Institutes: Consultations with research institutes representing vulnerable groups provided GIG with an understanding of new policy advocacy approaches in Vietnam's civil society, and allowed Component 3 to identify potential partners for activities in Year One and beyond. Component 3 also met with SO coalitions to explore partnerships that would promote inclusiveness on a larger scale, identifying two GIG partners - the Governance and Public Administration Reform Cooperation (GPAR) and the Land Alliance (LANDA) to implement activities around issue forum organization and public outreach on land rights and women's name on LURCs.

COMPONENT 3: CHALLENGES AND OPPORTUNITIES

In Vietnam, the function of SOs (including mass organizations, people's organizations, social and professional associations, and NGOs) is extensive, providing a layer of oversight and analysis to government policy implementation. Recognizing this important function, GIG is well placed to provide support to SOs through building advocacy capacity and skills to strengthen their role in the policy-making and implementation processes.

Component 3 has identified a strong willingness and competency among SOs to implement activities in collaboration with GIG. SOs have demonstrated they have the resources and expertise to undertake key activities with GIG on a range of activities from policy advocacy and social entrepreneurship development to women's empowerment and legal aid support. Initial consultations indicate particular SOs will be strong partners, capable of implementing activities empowering vulnerable groups hand in hand with GIG.

COMPONENT 3: UPCOMING ACTIVITIES

In Q2, Component 3 will support GPAR (Governance and Public Administration Reform) to conduct a roundtable discussion with targeted agencies working on policy advocacy, EM, LGBT, gender equality on policy issues/legal barriers that hinder vulnerable groups.

Component 3 will facilitate a partnership between an LGBT or disability focused SO, the NA and FPT (Vietnam's largest Vietnamese information technology company), and support the design of the digitalization of NA documents (meeting proceedings, state apparatus, legislation, research reports, legal and policy projects) in the e-library of the NA.

In the next quarter GIG will support MOJ to begin an assessment of current procedures to mainstream gender into law making at different levels to mainstream gender equality into the making of Legal Normative Documents (LND), and propose guidelines to implement gender mainstreaming in legal drafting per the Law on Laws. GIG will also initiate support to MOJ to develop a manual for use by local government guiding legal access for citizens.

Component 3 will work with CEMA to begin the design of sustainable and community-based business models for EM (on tourism, herbal medicines and handicrafts) through a skills transfer process, to be implemented in partnership with a social enterprise.

SECTION II: PROGRAM MANAGEMENT

START-UP ACTIVITIES

During this first quarter, GIG focused on start up and mobilization activities to achieve contract objectives. This section outlines the current status of mobilization activities, summarizes key contract management and administration activities, and provides an overview of overall level of effort delivered and remaining, classified by duration (short- and long-term) and expected result.

Following the Task Order award on December 12, 2013, Chemonics immediately mobilized existing in-country staff to acquire temporary office space and address immediate start-up needs. On December 13, 2013, GIG's Deputy Program Director began work with the program and was joined by the Finance Manager on January 6, 2014. The Program Director and Operations and Grants Director followed, arriving in early January. By March 31, 17 GIG employees had been engaged on the program under Chemonics and permanent offices were identified.

GIG Staff, as of 31 March 2014		
Name	Position Title	Start Date
Pham Thi Hoai Giang	Deputy Program Director	December 13, 2013
Fernando Bertoli	Program Director	January 1, 2014
Noel Martinez	Operations and Grants Director	January 5, 2014
Dinh Thu Trang	Finance Manager	January 6, 2014
Pham Do Chi	Public Financial Management and Accountability Team Director (Component 2)	January 7, 2014
Vu Thu Hong	Inclusive Growth Director (Component 3)	January 13, 2014
Nguyen Thi Loi	Capacity Building Specialist (Component 3)	January 17, 2014
Phung Thi Van Anh	Civil Society Specialist	January 17, 2014
Vu Le Phuong	Regulatory and Trade Facilitation Specialist	January 21, 2014
Le Sy Giang	Trade Policy Specialist	February 10, 2014
Nguyen Thi Xuan Hoa	Public Sector Accountability Manager	February 13, 2014
Tran Ngoc Mai	Capacity Building Specialist (Component 2)	March 3, 2014

An Thi Hong Nhung	Office Manager	March 3, 2014
Hoang Thi Thanh Mai	Monitoring and Evaluation Specialist	March 3, 2014
Nguyen Viet Phuong	Administrative Officer	March 24, 2014
Nguyen Thi Thanh Loc	Grants and Partnerships Manager	March 24, 2014
Phan Vinh Quang	Legal, Regulatory, and Competitiveness Director (Component 1)	March 31, 2014

Supporting the in-country team, two Chemonics mobilization short-term consultants assisted with legal registration issues, staff recruitment, and logistics administration. Discussions were held to contract a legal advisory firm to advise GIG on program registration requirements and to review recently-passed labor laws. Essential transportation capabilities were established through an agreement with Taxi Group and pre-paid phones were purchased. Competitive rates were negotiated with local hotels, longer-term temporary housing options were identified, and rates negotiated to address expatriate staff mobilization. The GIG Finance and Administration team also established financial booking systems, procedures, and management software.

Exhibit I-1 presents the status of implementation of the GIG Program mobilization and start-up activities plan. The exhibit uses the mobilization and reporting activities presented in the draft work plan of the contract and examines the status of implementation of each activity as of the end of the quarter.

Commencing in January 2014, the GIG program utilized Contract Officer Approval No. 004 for Non-Expendable Items to begin the purchase of IT equipment. GIG began purchasing IT equipment following a competitive process on a rolling and as-needed basis, reserving final procurement of larger items until relocation to permanent offices. Acquisition of office furniture has been included in the tender for office make-ready and fit-out.

In the quarter GIG created a policy manual for the program, engaging Vietnamese law firm DFDL to update, streamline, and cross-reference the manual. The process was comprehensive and the Policy Manual has been circulated to all staff, including an acknowledgement form. A draft Grants Manual was delivered to USAID on March 11, outlining procedures and regulations related to grant awards and management of GIG GUC mechanisms. As requested by USAID, GIG will submit a revised version to USAID by mid-April. Submission of a communications strategy for the program was delayed until Q2, when GIG's senior communications manager will commence.

Exhibits I-2 and I-3, at the end of this section, display level of effort totals, delivered during the quarter, and balances remaining for long-term personnel and short-term assignments, respectively.

COORDINATION WITH GVN COUNTERPARTS AND THE PMU

GIG engages with its six GVN counterparts through a centralized Project Management Unit (PMU), appointed by the Minister of MOJ. The PMU coordinates outgoing requests, with the Deputy Director General of the MOJ International Cooperation Department, Mr. Bạch Quốc

An, serving as GIG's primary point of contact. GIG's Deputy Program Director is responsible for coordinating with the PMU.

The MOJ chairs the PMU Program Steering Committee, an entity established to provide high-level guidance and input to the program with USAID involvement. The GIG Program Director oversees this process, and serves to provide technical input, programmatic direction, and strategic guidance for GIG activities and partner stakeholders.

In the reporting period GIG has established a responsive relationship with the PMU, working together to draft the Vietnamese version of the GIG program document, Year One Work Plan, and the GIG Technical Assistance Operating Guidelines. These documents have been adopted as official management and coordination tools of the PMU.

Exhibit I-1: Status of implementation of GIG Program mobilization and start-up activities plan

Activity	Year 1													Implementation status
	1	2	3	4	5	6	7	8	9	#	#	#		
Mobilization and reporting activities														
Mobilize GIG senior management team	■												Completed: key personnel and core team staff informed about award and employment contracts signed	
Field chief of party and start-up specialist	■												Completed: program director fielded within 15 days of award	
Hold initial coordination meeting with USAID	■												Completed: program director, deputy program director, home-office start-up specialist, and Asia Region senior vice president	
Prepare and submit start-up plan	■												Start-up plan implemented according to schedule	
Finalize subcontractors	■	■											Milestone completed: Subcontracts signed	
Establish field office and hire full GIG team	■	■											Completed: field office established in temporary space, lease contract signed for long-term office lease, pace of staff recruitment slowed down per USAID request.	
Hold initial meetings with Vietnam counterparts	■	■	■										Completed: met with all GVN partners: MPI, NA, MOIT, MOF, MOJ, and SAV	
Hold annual work planning workshop		■											Completed: workshops held with USAID on February 21, March 3, and March 7	
Prepare and submit Year 1 work plan	■	■											Completed within 90 days, after a 30-day extension: work plan submitted on March 11, 2014	
Prepare and submit CPP and M&E plan	■	■											Completed within 90 days, after a 30-day extension: CPP and M&E plans submitted on March 11, 2014	
Prepare and submit GIG grants, subcontracts, and partnerships manual	■	■											Completed within 90 days, after a 30-day extension: submitted on March 11, 2014	
Hold weekly oral briefings with USAID	■	■	■	■	■	■	■	■	■	■	■	■	On target: regular weekly meetings held between COR, EG2 Office staff, and GIG program director, deputy director, and program component directors	
Procure office IT equipment and furniture	■	■	■										On target: IT equipment procured as needed; office furniture procurement included in the contract award for office fitting	
Update policy manual	■	■	■										Completed: legal review completed, manual distributed to employees and acknowledgement of receipt in process	
Develop project communications strategy		■	■										Delayed: until communications manager joins arrives to post	
Develop manuals for GUCs and GDAs			■										Delayed: pending approval of revised AWP, CPP, M&E , and Grants and GDA Manual	
Submit weekly progress report to COR	■	■	■	■	■	■	■	■	■	■	■	■	On target: highlights delivered to COR each Wednesday morning	
Submit monthly success stories to COR	■	■	■	■	■	■	■	■	■	■	■	■	Not applicable: no external events or technical assistance engagements were planned or held in the quarter	
Submit quarterly progress report to COR				■			■				■		Completed: QPR delivered by April 30, 2014	

Exhibit I-2: GIG long-term personnel - Level of effort totals, used, and balance (Person/days)

Position	Name	Q2 Total LOE	Total LOE Expended through March 2014	Total LOE Remaining
Chief of Party	Fernando Bertoli	64.02	64.02	1,235.98
Deputy Chief of Party	Pham Hoai Giang	61.34	61.34	1,238.66
<i>Legal, Regulatory and Competitiveness Team (ER 1)</i>				
Legal, Regulatory and Competitiveness Director	Phan Quang	23	23	1,234.00
Senior Legal and Regulatory Advisor	TBD	0	0	1,285.00
Trade Facilitation Specialist	Vu Phuong	47.34	47.34	1,232.66
Trade Policy Specialist	Le Sy Giang	32.67	32.67	1,247.33
Senior Economist	TBD	0	0	1,280.00
Legal Expert	TBD	0	0	1,280.00
<i>Public Financial Management and Accountability Team (ER2)</i>				
Public Financial Management and Accountability Director	Pham Do Chi	60	60	1,225.00
Public Sector Accountability Manager	Nguyen Thi Xuan Hoa	29.67	29.67	1,255.33
Public Auditing Specialist (KPMG)	TBD	0	0	1,280.00
National Assembly Specialist	TBD	0	0	1,280.00
IT Systems Specialist	TBD	0	0	1,280.00
Capacity Building Specialist	Tran Ngoc Mai	16	16	1,264.00
<i>Inclusive Growth Team (ER 3)</i>				
Inclusive Growth Director	Vu Thu Hong	53.34	53.34	1,231.66
Inclusive Policy Specialist	TBD	0	0	1,280.00
Citizen Participation Specialist	TBD	0	0	1,280.00
Capacity Building Specialist	Nguyen Thi Loi	50.34	50.34	1,229.66
Civil Society Specialist	Phung Thi Van Anh	50.84	50.84	1,229.16
Civil Society Specialist	TBD	0	0	1,280.00
<i>Operations, Grants, and Partnerships Team</i>				
Operations, Grants, and Partnerships Director	Noel Martinez	61.02	61.02	1,228.98
Grants and Partnerships Manager	TBD	0	0	1,280.00
Grants Officer	TBD	0	0	1,280.00
Private Sector Partnerships Officer	TBD	0	0	1,280.00
Office Manager	An Hong Nhung	15.99	15.99	1,269.01
Finance Manager	Dinh Thu Trang	58.33	58.33	1,226.67
Bookkeeper	TBD	0	0	1,280.00
IT Support	TBD	0	0	1,280.00
Administrative Officer	TBD	0	0	1,280.00
Translator	TBD	0	0	1,260.00
<i>Technical Support Team</i>				
M&E Manager	Hoang Thi Thanh Mai	16	16	1,264.00
M&E Coordinator	TBD	0	0	1,280.00
Senior Communications Manager	TBD	0	0	520.00
Communications Specialist	TBD	0	0	1,280.00
Totals:		639.9	639.9	42,157.10

Exhibit I-3: GIG short-term assignments by expected result (ER) and level of effort approved and used (Person/days)

Position	Name	ER Code	Q2 Total LOE	Approved LOE	Total LOE Remaining	Details
HO Manager/Start-up Specialist	Owen Scott	ER 1, ER 2, ER 3	31	32	0.99	Mobilization and start-up
Start-Up Specialist	Justina Wong	ER 1, ER 2, ER 3	30	30	-0.03	Mobilization and start-up
<i>Totals:</i>			<i>61</i>	<i>62</i>	<i>0.96</i>	

ANNEX A: CONTRACT DELIVERABLES

Contract deliverables submitted to USAID during the quarter include:

- Branding Implementation Plan and Marking, approved on February 7, 2014.
- Draft Year One Work Plan: December 12, 2013 - September 30, 2014, submitted on March 11, 2014. Approval received on May 31, 2014.
- Draft Contract Performance Plan (CPP), submitted on March 11, 2014 Approval received on May 31, 2014.
- Draft Grants Manual, submitted on March 11, 2014 Approval received April 29, 2014.
- Draft Monitoring and Evaluation Plan (M&E Plan), included in the overall AWP, submitted on March 11, 2014. Approval received on May 31, 2014.

Deliverables requested by and submitted to the MOJ PMU include:

- GIG Program Project Document in Vietnamese for submission to the Steering Committee in compliance with Vietnamese Government formats and procedures. The GIG team has worked through closely with the PMU and USAID through numerous iterations of the document over the last five weeks of the quarter and expects its finalization early in the next quarter and in time for submission to the recently established Steering Committee. Approval received on May 29, 2014.

ANNEX B: KEY MEETINGS

Meetings held during the quarter were of three main types: introduction of GIG to partners, initial meetings with technical counterparts to understand their needs, priorities, and early submissions of proposed activities before GIG officially started, and regular program implementation meetings with USAID and the PMU. Key meetings are identified below:

USAID Governance for Inclusive Growth Program (GIG)-Ministry of Justice Project Management Unit (PMU) meeting of GVN Partners. On January 24, 2014, USAID introduced the GIG technical team of Chemonics International, Inc., to the six GIG GVN Partners: National Assembly, Ministry of Finance (including the General Department of Customs), Ministry of Industry and Trade, Ministry of Planning and Investment, State Audit Office, and the Ministry of Justice. The meeting focused on mechanisms of implementation, and items on the agenda included brief presentations on:

- The role of the PMU, Mr. Bach Quoc An.
- The role of the Steering Committee, Mr. Tran Thi Thu Hien.
- USAID GIG, Mr. Todd Hamner.

- Objectives of GIG, proposed criteria and operating procedures for project preparation and submission, Mr. Fernando Bertoli .
- Projects prepared by GIG GVN partners for consideration of inclusion in GIG's first Annual Work Plan that will run through 30 September 2014.

A series of questions and answers on criteria for project preparation, cost norms, and procedures for submission and selection of projects followed the presentations. It was agreed at the meeting that:

- The PMU will develop operating procedures for discussion and will present these for consideration by the GIG Steering Committee.
- Technical teams of the Contractor will hold separate meetings after *Tet* with each GVN partner to conduct a joint review of proposed projects and refine them as needed for presentation to the Steering Committee.

Meetings with GVN GIG partners. Following the January 24 meeting that USAID and the MOJ PMU organized to introduce the GIG technical team to the six GVN partners, GIG worked with partners and the PMU to prepare a schedule of meetings to take place after the Tet holidays. The major purpose of these meetings was to hold initial discussions on projects that partners submitted as inputs for consideration in GIG's first Annual Work Plan (AWP-1). USAID, the Ministry of Justice PMU, and the GIG team held introductory meetings with the National Assembly (NA), and the Ministry of Finance (MOF) on Monday, 10 February, followed by meetings on Tuesday, 11 February, with the State Audit Office of Vietnam (SAV) and the Ministry of Industry and Trade (MOIT).

Also in February, GIG had introductory meetings with:

- February 7: CGFED (Research Centre for Gender, Family and Environment in Development).
- February 10: CEPEW (Center for Education Promotion and Empowerment), IPSARD (Institute of Policy and Strategy for Agriculture and Rural Development), and VUSTA (Vietnam Union of Science and Technology Associations).
- February 11: VWEC (Vietnam Women Entrepreneurs Council), SRD (Sustainable Rural Development), and People Mobilization Committee (Central Party). People's Mobilization Committee.
- February 12: Farmers' Union, Oxfam, iSEE (Institute of Social and Economic, Environment).
- February 13: CSAGA (Center for Studies and Applied Science in Gender – Family-Women and Adolescents).
- February 14: Vietnam Women Union, CSIP (Center for Social Initiatives Promotion).

- February 17: DFID (Department for International Development).
- February 18: Oxfam Coalitions Support Team (Land Coalition).
- February 20: CEMA (Committee for Ethnic Minority Affairs).
- February 24: MONRE (Ministry of Natural Resources and Environment) – Land Department to understand more about land law issues.
- February 28: Academy for Policy and Development (APD) of MPI, Mr. Dao Van Hung, Chairman, and APD faculty to gain knowledge about the institution, potential GIG assistance with its proposed Master’s degree on Public Policy, facilities, priorities, and discuss opportunities for collaboration on seminars for policy analysts.

GIG Program presentation at U.S. Embassy. On February 13, the Program Director, deputy Director and directors of GIG technical teams made a presentation, “What does GIG do?” to U.S. Embassy/Hanoi staff in attendance and U.S. Embassy/Ho Chi Minh City staff participating through a live video link.

GIG Program introductions in Ho Chi Minh City. Todd Hammer (Director, Office of Economic Growth and Governance, USAID) and Fernando Bertoli (Program Director, GIG) traveled to HCMC on February 19, at the invitation of the General Consul and Embassy staff. The major purpose of the trip was to meet with AmCham and take advantage of additional introductory meetings with Embassy staff and VNCCI.

Introduction to AMCHAM – Ho Chi Minh City. The trip provided the opportunity to meet with AmCham – Ho Chi Minh City Board members to discuss their key business concerns and exchange ideas about potential ways of collaboration and technical assistance to address these concerns.

Introduction to VNCCI – Ho Chi Minh City. AmEmb HCMC also arranged introductory courtesy meetings with VNCCI. GIG briefed VNCCI – HCMB Branch about discussions held with VNCCI – Hanoi regarding co-sponsorship of a one-day business dialogue focused on challenges and opportunities of free trade agreements planned for Friday, April 18. This would be a follow on event to the HCMC seminar on legal environment for trade competitiveness for MPs.

USAID-GIG annual work plan and CPP workshops. The GIG team scheduled and conducted three joint workshops with USAID on February 21 and on March 3 and 7 to:

- Discuss ways of adjusting into the GIG Program contract logical framework, the diverse and disparate GVN partners’ proposed activities for inclusion into the Program.

- Propose strategic activities with potential to become part of “the GIG legacy”.
- Present and discuss AWP Excel formats and templates designed to achieve # 1, above.

Key meetings held in March regarding GIG coordination with GVN counterparts and stakeholders on the Year One Work Plan:

- March 3: Library of the National Assembly, Mr. Hoang Minh Hieu, Director, to discuss the concept of a potential National Assembly Forum Series, driven by two or three key strategic issues of the annual NA legislative agenda and chaired by MPs and high-level policy makers. The forums would bring together policy makers, academia, think tanks, and relevant private sector stakeholders to discuss options informed by policy papers commissioned in advance and serve as a platform for public online dialogue on the issues raised in the forums (3 March 2014).
- March 4: State Audit of Vietnam, International Cooperation Dept., with Mr. Tuan and Mrs. Nga to gain additional information about their programmatic requests and institutional priorities.
- March 6: Committee for the Advancement of Women, Ministry of Justice to discuss gender mainstreaming within MOJ.
- March 13: Met with the International Cooperation Department of Vietnam Customs to discuss cooperation to implement the WTO Trade Facilitation Agreement measures, including a national workshop, as required by WTO guidelines, and the identification of experts to advise Customs in the development of a Category “A” notifications, due in July 2014.
- March 13: Met with CIEM on support for the development of Enterprise Law, enhancing competitiveness, and institutionalizing RIA training.
- March 13: Met with the UNDP Governance Team (with USAID) and explored the current UNDP initiative on a CSO mapping focused on a gap analysis of existing laws and related legal documents that encourage or require the Government to include civil society in the legislative drafting process. Follow up meeting to be made with this team to gather further information on UNDP activities focused on civil society empowerment, LGBT support, people’s participation, and related initiatives.
- March 14: Initiated discussions with the Risk Management Board of Customs to identify specific issues in compliance management and targeting and develop a tailored technical assistance program.
- March 12-14: Met with different parties of the National Assembly to discuss possible areas of cooperation including:

- NA Library: Capacity building to enhance the online and offline capabilities of the NA Library to respond to needs of MPs, including upgrading of the duthaonline.quochoi.vn and IT database.
 - Law and Economic Committees: Potential support for the NA Law Committee's Summer and Winter forums on law and institutions and the NA Economic Committee's Spring and Fall economic forums, as well as a series of forums with the NA Library; these potential programs would be rolled out in a gradual and coordinated manner.
 - Law drafting and best practices: Requested support for laws governing economic affairs (enterprise and investment), oversight (Law on NA supervision) and organization (Law on NA, Court, etc.), transparency and accountability (Law on Laws, Budget Law etc.).
 - ILS: Support for development of a training program on law drafting using the draft bill on legislative initiatives to be proposed by Dr. Thao as the case study for the program.
 - Capacity-building on hearing and oversight for the Law and Economic Committees.
- March 14: Met APCA to discuss cooperation in a comprehensive regulatory reform agenda; initial focus would be on reducing the burden of regulatory compliance on businesses (number of days and documents) in the Trading across borders and Paying Taxes indicators of the World Bank's Doing Business annual surveys.
 - March 17: Support for development of regulations, steps, procedures, and coordination of oversight activities by the NA, NASC, and oversight activity bulletin, development of website on oversight activities, inquiry sessions (question period) or hearing sessions at NASC meetings.
 - March 18: Meeting with UNWOMEN to discuss a potential cooperation on gender mainstreaming in the law-making process for core GIG counterparts, particularly MOJ and gender budgeting with MOF and the NA Budgetary Committee.
 - March 25: Meeting with the Justice Innovative Facilitation Fund (JIFF) at USAID office regarding their grants mechanisms, capacity building, and empowerment efforts to assist local CSOs working in the fields of land law, domestic violence, cooperative development, labor law, and gender/family issues.
 - March 25: Meetings held with three related entities working on anti-corruption, including the Justice Department of ONA, the Secretariat of the Central Steering Committee on Anti-Corruption and Anti-corruption Bureau under the Inspectorate of the Government to become acquainted with current anti-corruption efforts and discuss potential cooperation
 - March 28: Met with NA Library of Congress to

discuss: (i) upgrade of duthaoonline of the N.A; (ii) development of database and data map for deputies; and, (iii) development of a knowledge management program to enable the staff of the Library to respond better to informational requests from MPs.

- April 16: Meeting with LANDA (Land Coalition) to discuss potential GIG support for a land rights campaign.
- April 18: Meeting with VWEC regarding GIG support for database system development and TPP training for female entrepreneurs.
- In the quarter, meetings with research institutes to discuss new approaches to advocacy and identify potential research partners. Institutes included: the Institute of Policy and Strategy on Agricultural Research and Development (IPSARD), the Center of Development and Policy Research (DEPOCEN), Vietnam Union of Science and Technology Associations (VUSTA) and the Center for Women in Politics and Public Administration (WiPPA).